

**UNITED STATES DISTRICT COURT  
FOR THE EASTERN DISTRICT OF WISCONSIN  
MILWAUKEE DIVISION**

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UNITED STATES OF AMERICA,

STATE of WISCONSIN,  
STATE of ILLINOIS, and  
STATE of MICHIGAN,

*Plaintiffs,*

v.

DEAN FOODS COMPANY,

*Defendant.*

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Civil Action No. 2:10-cv-00059 (JPS)

**SUPPLEMENTAL STIPULATED ORDER**

Based on the Supplemental Joint Stipulation of the State of Michigan and Dean Foods Company, and for good cause shown, the Court hereby orders as follows:

**I.**

**DEFINITIONS**

As used in this Order:

(A) “Dean Foods” means Defendant Dean Foods Company, a Delaware corporation with its headquarters in Dallas, Texas, its successors and assigns, and its subsidiaries, divisions, groups, affiliates, partnerships and joint ventures, and their directors, officers, managers, agents, and employees, including its operations in De Pere, Wisconsin and Marquette, Michigan.

(B) “Raw Milk Cost” means the regulated price of raw milk at the buying plant, as issued by the United States Department of Agriculture, Milk Market Administrator, pursuant to Federal Order 33 (Mideast Order) or Federal Order 30 (Upper Midwest Order), as applicable, expressed on a per half pint basis.

(B) “Margin” means the average difference, weighted by monthly volume, between the price per half pint charged by Dean Foods for school milk to a particular school district within the Upper Peninsula of Michigan during the period January 2010 through December 2010 and the Raw Milk Cost in the month in which the school milk was delivered.

(C) “Adjusted Margin” means the previous year’s Margin adjusted to reflect the annual percentage change in the Producer’s Price Index as determined by the United States Department of Labor, Bureau of Labor Statistics.

(D) “Cap Price” means:

- (1) for the purposes of bidding school milk contracts for the 2011-2012 school year, the sum of the Raw Milk Cost in the month in which the school milk was delivered and the Margin.
- (2) for the purposes of bidding school milk contracts in the following 4 years, the sum of the Raw Milk Cost in the month in which the school milk was delivered and the Adjusted Margin.

## II.

### **Commitment to Bid**

Dean Foods will bid for school milk sales for the 2011-2012 school year in each school district in the Upper Peninsula of Michigan in which it bid for the sale of school milk for delivery during the 2009-10 or 2010-11 school years. Dean Foods will continue to bid for school milk sales in each of these same districts for the following four school years, i.e.: (1) 2012-2013, (2) 2013-2014, (3) 2014-2015, and (4) 2015-2016. Dean Foods may also bid in additional school districts.

## III.

### **Limitation of Bid Pricing of School Milk in the Upper Peninsula of Michigan**

In bidding for school milk sales in school districts in the Upper Peninsula of Michigan, Dean Foods may bid a price for school milk that is no higher than the Cap Price. The bid will clearly and conspicuously explain the Cap Price mechanism and that the Cap Price will change with changes to Raw Milk Cost. As the Cap Price may produce a variable milk cost to school districts, Dean Foods will advise school districts in the Upper Peninsula of Michigan that Dean Foods will also bid a school milk price that does not vary, if a district requests a bid for a non-variable price. This non-variable price is not subject to the Cap Price and Dean Foods will advise districts accordingly.

## IV.

### **Information and Penalty for Non-Compliance**

Dean Foods will make available to the Office of the Attorney General of the State of Michigan information demonstrating that Dean Foods has complied with this

Stipulation. If Dean Foods materially fails to comply with the requirements of this Stipulation, or fails to make available information demonstrating that Dean Foods has complied with this Stipulation, the State of Michigan may seek specific performance, fines, costs, and attorney's fees from the Court.

IT IS SO ORDERED by the Court, this \_\_\_\_ day of \_\_\_\_, 2011.

BY THE COURT:

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J.P. Stadtmueller  
U. S. District Judge